

How to boost fundraising campaign ROI in a challenged environment

By predicting which leads and donors will respond positively to contact and who are most likely to churn.

How Automated Data Analytics Improve ROI

For Fundraisers

Turn good intentions into actions through your fundraising It is no secret that we all want to give more to help those in need, however, the say-do gap is large, and if donations are requested at the wrong time, through the wrong channel or with the wrong request, you might just scare the potential donors away. It is therefore imperative to know your donors on a deeper level, and with the right tools, enabling you to make the correct decisions and ensure maximum output from minimum input.

In this whitepaper we would like to shed light on what we know about the private fundraising industry, and how we believe we can help you turn good intentions into donations - through your data!

Working with data was until recently hugely expensive and required a team of software engineers and data scientists, but is now available to organizations of all sizes in a SaaS solution.

Private Fundraising

Private fundraising is essential to your cause. You and your organization are most likely juggling; long-term strategic choices such as possible new streams of revenue, how to enhance and sustain trust amongst donors, new tech solutions and projects to structure data and automate processes and how to enroll partners and ambassadors for your cause.

On a daily basis, the challenges are more tangible. When should the next telemarketing campaign be planned? When do we contact existing or one-time givers for upgrades? and when do we approach cold leads? Is it time for the bi-annual direct mail campaign and do we need to make changes to the SMS, email or SoMe channels next time we reach out?

Digitalization and the increasing number of platforms and possibilities have led to many new and creative ways to reach many people even with limited resources. Today a potential donor is exposed to a large number of relevant charities and fundraisers. This competition for donations means that you have to reach out to more people on more channels as well as hold on to your existing donors to get the funding you need.

And then - what about data? Do we have all we need, is it structured and organized sufficiently or will we have to sanitize the data even better before we can run a new campaign, exploit a new channel or start a new project?

All of the above are most likely known challenges and also just “part of the job” in a fundraising organization. Therefore most fundraising organizations work with these choices through different combinations of multi-channel fundraising. All with the same goal to maximize donations efficiently and at an acceptable cost.

Working With Data

Private fundraising methods entail reaching out to many potential and existing donors via different channels. This is obviously the case with cold outreach to new donors in capital campaigns. It is also true when the existing donor base is contacted for potential upgrades or when you try to break through the vast flood of ads and information on social media.

From experience and from the data collected over time, organizations know what campaign types and what channels generate the highest return on investment.

Many also have deeper knowledge and have made detailed mappings and segmentations based on demographics, geographics, psychographics, technographics etc. Models and scores such as e.g. RFM can also provide valuable information about potential and existing donors to optimize campaigns. Based on this you can define, develop and maintain business rules to state what segments to reach out to, when, with what message and in what channel.

To support and automate the process, the rules are typically documented and even automated in more or less sophisticated applications ranging from Excel to CRM and highly specialized marketing automation systems.

All these efforts work! Even if we only do a fraction of them, they will most likely lead to better results and more funding than if we did nothing.

A downside is, that the more sophisticated the rules and segmentation get the more software applications are needed to support these rules, processes and business flows. More resources, competencies and time is also required for the maintenance and development.

Additionally, the rules are often based on past experiences and assumptions about groupings of donors, their likelihood to donate and when it is the appropriate time to contact them (again).

A question that is always nagging in the back of my mind is, do we get enough out of all the effort we put in? And do we do it in the most efficient way?

The goal remains the same: To generate the most funding while spending the least amount of resources.

What If

If we could answer a few relatively simple questions with answers we could trust, everybody would probably organize and prioritize the private fundraising efforts differently.

Imagine what you could do if you had trustworthy, easily accessible and precise information suggesting:

- Which individuals in the donor- or leadbase are most likely to respond positively to a telemarketing campaign - and who not to call?
- Which individuals are more likely to donate in an email-, sms- and direct mail campaign - and who is not?
- What is the right donation request per individual in an SMS campaign to maximize total giving - 30€, 50€ or 75€?
- Which of your monthly donors are most likely to stop their donation?

What if you could reallocate a significant part of the resources spent on fundraising by utilizing the data you already have in your existing systems in a new way?

Utilizing Your Data Efficiently

There are no magic shortcuts in this game. To get trustworthy answers to the questions above, you need data and the capacity to determine which data and combinations of data points are actually deciding the individual donor's response.

This is where artificial intelligence and machine learning will surpass the precision of most, if not all, business rule-based decisions.

The reason is that with machine learning, vast amounts of data and many different data points are processed, connected and coupled. Connections between data are established as it would not be meaningful independently, and with more complexity, it comes to be very time- and resource-consuming. Especially, placing it into business rules and even more so to further develop and maintain a traditional business rule logic.

Business rules can for instance define that one-off donors will be contacted by telemarketing six weeks after their donation, asking them if they are willing to become regular, monthly donors. This is an elementary example and much more complex rules can be applied to traditional marketing automation systems.

The point here is that data processed by machine learning does not result in rules and segmentation; instead, each individual donor is scored based on the likelihood of a positive or negative response to a specific action. From there you can search for your donors or leads with a score beyond or below a given threshold, telling you the probability of a positive or a negative response to a specific action.

The good news is that the data you need is data you already collect and utilize actively for campaigns and fundraising today, such as:

- **Contact Data** on leads or existing donors e.g. *contact id, demographics, permissions, timestamps.*
- **Donation History** on previous campaigns: *canvas, agreements and one-offs etc.*
- **Response Data** from *telemarketing, direct mail, email, sms etc.*

Processing the data using artificial intelligence and machine learning is the next step. Even if the technology is relatively new, there are different options available. Standard CRM systems have machine learning capabilities embedded and very competent IT consulting companies will build and implement customized churn models or response predictions that will perform very well.

Challenges can be that standard CRM systems require specific skills, and standardized and structured data to process and produce meaningful machine learning results. Customized machine learning models built specifically for your purpose on the other hand can be an attractive alternative if you can make ends meet with time and money spent and ongoing maintenance and development.

SaaS Means Short Time-To-Market & No New IT Systems

We created Allyy.io to empower companies of all sizes by giving them tools to make accurate predictions.

Allyy is first and foremost founded on deep knowledge and experience within marketing and sales and secondly on acquired knowledge on how to exploit AI and machine learning for these purposes.

What until recently was hugely expensive and required a team of software engineers and data scientists is now available to organizations of all sizes in a SaaS solution.

We know that new IT systems and time-consuming projects are not core business for most, but they are necessary and often inevitable when companies want to take the next step to reach their highest purpose.

This is why we have moved all the complexity onto the Allyy.io platform, instead of into our customers' IT landscape. This is how we feed our customers with tangible and accurate information for immediate consumption and improved ROI in fundraising.

Our Solution

Allyy.io aims to deliver a high and fast return on your investment, by, you guessed it, your data.

Our easy onboarding which requires no code integration nor data scientists, provides AI, automated machine learning and fast time to market!

Below you will find three concrete examples of what Allyy.io can do for you!

Acquire New Donors

With Allyy's predictions, based on AI and Machine Learning, you gain the upper hand, as you can identify which leads are most likely to donate and who will not.

This can be utilized both in form of telemarketing and direct mailing and will reduce costs per donation as well as donor fatigue.

Increase Donations From Current Donors

It is also possible through Allyy to identify the donors who are most likely to donate more - and how much more - in telemarketing, direct mailing and by SMS campaigns.

This will save you time, as there is no need for you, to reach out to those, whom we can predict will not increase their donations. Furthermore, you will not be a nuisance to those of your donors that will not alter their donating agreement.

Increase Loyalty

Additionally, Allyy can help you identify the donors who are the most likely to stop donating, enabling you to target loyalty-building activities.

Are you interested in hearing more about what we offer or how we specifically can help you? Please don't hesitate to reach out to [Allyy.io](https://allyy.io) or follow Allyy on [Allyy on LinkedIn](#).